

Matthew Vickers Director of Connections Reform National Energy System Operator NESO Faraday House Warwick Technology Park Gallows Hill Warwick, CV34 6DA

CC:

Kayte O'Neill, Chief Operating Officer, National Energy System Operator James Norman, Head of Connections Strategy, National Energy System Operator Eleanor Warburton, Director for Energy Systems Design & Development Jack Presley-Abbot, Deputy Director for Market Design, Ofgem Paul van Heyningen OBE, Deputy Director Net Zero Electricity Networks, Desnz Charlotte Middleton and Ruth Harriford, Deputy Directors, Desnz

18 December 2024

Re: Connections reform and community and local energy

Dear Matthew,

We are writing to urge NESO to raise the Transmission Impact Assessment threshold in England and Wales from 1 MW to 5 MW as an urgent code modification alongside the current connections reform, and for Ofgem to support this change.

Regen and partners <u>recently wrote to the Secretary of State for Energy Security and Net Zero</u> raising concerns that proposals to require projects over 1 MW to be aligned to Clean Power 2030 to receive a grid connection could, inadvertently, lock out community and local energy projects. This would make it very challenging for GB Energy to deliver the government's Local Power Plan and would risk missing out on an important opportunity to engage communities across the UK positively in the clean power mission.

We therefore welcome the proposals to raise the Transmission Impact Assessment threshold from 1 MW to 5 MW, as set out in the <u>minutes of the October Connections Delivery Board</u> and referenced in the Clean Power 2030 plan. We believe this would be a pragmatic step to help enable community and local projects in England and Wales to proceed.

However, we note there is no clarity on timescales for this change. We fully support the overall process of connections reform and recognise that NESO has a very full workload to deliver this, but we believe it is critical that changes to the Transmission Impact Assessment Threshold are

made as an integral part of this reform. We therefore urge NESO to prioritise bringing forward an urgent code modification to raise the threshold, and for Ofgem to approve this change by May 2025, when the process of projects applying for a 'Gate 2' grid connection is scheduled.

We also recommend that, once the new connections process is in place, work is started to consider how further reform could enable projects over 5 MW that will contribute to the government's 8 GW Local Power Plan target to be allocated capacity on the transmission grid.

Yours sincerely,

Fraser Stewart, PhD Just transition and communities lead Regen